

**IN THE HIGH COURT AT CALCUTTA
(Ordinary Original Civil Jurisdiction)
ORIGINAL SIDE**

Present:

The Hon'ble Justice Krishna Rao

GA No. 1 of 2021

With

GA No. 4 of 2025

In

CS No. 149 of 2021

KAHM Industries Private Limited and Ors.

Versus

Punalur Paper Mills Limited

Mr. Jishnu Saha, Sr. Adv.

Mr. Sakya Sen, Sr. Adv.

Mr. Shiv Ratan Kakrania

Mr. Tanuj Kakrania

Ms. Jiya Bose

Ms. Shreya Goenka

Ms. S. Manzau

... For the plaintiffs/ petitioners.

Mr. Probal Mukherjee, Sr. Adv.

Mr. Souradipta Banerjee

Mr. Asif Sohail Tarafdar

Mrs. Fatima Hassan

Ms. Shamrin
Mr. Ronojoy Mullick

... For the defendant/ respondent.

Hearing Concluded On : 18.02.2026

Judgment on : 31.03.2026

Krishna Rao, J.:

1. The plaintiffs have filed an application being G.A. No. 1 of 2021 praying for interim relief by restraining the defendant from relying on the purported Deed of Revocation dated 11th May, 2021 of the Power of Attorney dated 21st November, 2011 or from giving any effect or further effect in any manner whatsoever.
2. The defendant has filed an application being G.A. No. 4 of 2025 restraining the plaintiff nos. 2 and 3 from relying on the Power of Attorney dated 21st November, 2021, till the disposal of the suit and further reliefs.
3. Initially the application filed by the plaintiffs being G.A. No. 1 of 2021 along with an application filed by the defendant being G.A. No. 3 of 2022 wherein the defendant prayed for stay of the suit being C.S. No. 149 of 2021 were taken up for hearing and by a common judgment dated 5th July, 2023, this Court allowed the application being G.A. No.3 of 2022 filed by the defendant by staying the suit and the application filed by the plaintiffs being G.A. No.1 of 2021 was dismissed. Being aggrieved with the judgment dated 5th July, 2023, the plaintiffs have

preferred an appeal being APOT No. 244 of 2023. By an order dated 16th May, 2024, the Appellate Court formally admits the appeal but without interfering the judgment directed by this Court to proceed with G.A. No. 1 of 2021.

4. Prior to April 2003, the defendant was the owner of the land and premises No. 13, Nellie Sengupta Sarani. The plaintiffs had purchased the said property by way of the registered Deed of Conveyance dated 5th April, 2003. At the time of registration of Deed of Conveyance, various legal proceedings and litigations were pending on behalf of the defendant challenging the acquisition for recovery of compensation, mesne profits and other reliefs from the said property. The plaintiffs purchased the property with the understanding that the plaintiffs shall at all times be entitled to continue to prosecute and defend all or any litigations and proceedings and will receive, realize and recover all compensations and mesne profits in the name of the defendant but at the cost of the plaintiffs.
5. As per the agreement dated 15th May, 2010, the confirming parties along with their nominees have acquired Equity Shares about 52.76% of the total subscribed and also acquired the control of the defendant and its assets. The defendant also agreed that the plaintiffs and its nominees shall at all times be maintained and operated a separate bank account with IndusInd Bank Ltd. in the name of the company for limited purpose of receiving, realizing and encashing the amounts of

compensation, mesne profits and other amounts as may be received and realized on account and in respect of the property.

- 6.** In the agreement, the defendant has also agreed to grant Power of Attorney in favour of the plaintiffs or its nominees authorizing to represent the defendant and also to defend and contest and prosecute all or any legal proceedings and litigations and further to realize the amount of compensation money, mesne profits and other amounts and further to sign and execute all papers and documents on behalf of the defendant. The defendant in the agreement also agreed that the Power of Attorney shall at all times be irrevocable.
- 7.** In terms of the Agreement dated 15th May, 2010, on the same day a Power of Attorney was also executed by the defendant in favour of four persons who are the nominees of the plaintiffs. In the Power of Attorney, it is also mentioned that the defendant reserves the right to cancel the Power of Attorney, if any of the attorneys acts beyond or contrary to the Power of Attorney. Another Power of Attorney was executed on 21st November, 2011 by the defendant in favour of plaintiff nos. 2 and 3 authorizing them to sign, file application, to appear, to plead, to argue and to engage advocates or consultants with respect to the proceedings in connection with land acquisition.
- 8.** As per agreement dated 15th May, 2010, the plaintiffs became the majority shareholder of the defendant, also got the right to prosecute, defend all litigations and to proceed with the acquisition proceedings

and also have the right to receive and recover the compensation amount in respect of the property which were the subject-matter of litigations in the name of the defendant but at the cost of the plaintiffs. For such purposes, the plaintiffs had opened separate bank account being No. 0015-608737-060 (previous Account No. 200001818875) with IndusInd Bank Limited in the name of the defendant for the purpose of depositing, realizing and encashing the amount of such compensation and any other amount as may be received or realized in respect of the portion of the suit property.

9. The dispute arose between the parties after the decree passed by the Learned District Judge, Alipore in Land Acquisition Case No. 38 of 2007, for an amount in excess of Rs. 27 crores, arising out of the acquisition of the basement and ground floors of the property at 13, Nellie Sengupta Sarani. In the said case, the State through the Land Acquisition Collector preferred an appeal before the Division Bench of this Court and the Court had directed the State to deposit an amount of Rs. 27,29,44,005/- with the Learned Registrar General of this Court, out of which Rs. 9,05,70,001/- was directed to be released unconditionally in favour of the defendant, with the liberty to apply for withdrawal of a further amount of Rs. 9,05,70,0001/- upon furnishing security.
10. It is the allegation of the plaintiffs that when the defendant came to know about the above mentioned amounts, the defendant has started threatening the plaintiffs to close the account maintained with the

IndusInd Bank and prevented the plaintiffs to deposit the said amount in the said account and issued notice to the IndusInd Bank to close the said bank account. Being aggrieved with the act of the defendant, the plaintiffs have initiated a suit before the City Civil Court at Calcutta being Title Suit No. 314 of 2021 against the defendant for declaration that the Agreement dated 15th May, 2010, is still in force and binding upon the parties and the defendant has no right to close the bank account and the plaintiffs have every right to operate and maintain the said account. In the said suit, the plaintiffs have also filed an application for grant of interim order. By an order dated 6th March, 2021, the Learned Judge, City Civil Court at Calcutta, passed an order of injunction restraining the defendant to close the bank account till 6th April, 2021.

- 11.** In the meantime, the defendant has also filed a suit against the plaintiffs being Title Suit No. 613 of 2021 and in the said suit, the defendant has also obtained an order of injunction on 21st May, 2021, restraining the plaintiffs from permitting any person to withdraw, encash or transfer any amount from the said bank account till 19th June, 2021. The plaintiffs have challenged the said order before the Division Bench of this Court being FMAT No. 377 of 2021 and the Court by an order dated 17th June, 2021, set aside the interim order dated 21st May, 2021 with the direction to the Learned Trial Judge to hear the application for grant of injunction afresh in presence and after hearing the plaintiffs.

- 12.** On receipt of copy of plaint and documents in Title Suit No. 613 of 2021, the plaintiffs came to know about the Deed of Revocation of Power of Attorney dated 11th May, 2021. In the suit filed by the defendant being T.S. No. 613 of 2021, the plaintiffs have made as party to the said suit and after hearing the parties, the Learned Judge, City Civil Court passed an order of injunction restraining both the parties to operate the bank account in any manner whatsoever till the disposal of injunction application.
- 13.** The application for grant of temporary injunction was taken up for hearing on 23rd July, 2021 in T.S. No. 613 of 2021 and the Learned Trial Court passed an order of injunction directing the plaintiffs to revert the transaction so made by the bank without the approval and clear direction of the Court and directed to refund the amount in the account where it was lying. The order was challenged in a Civil Revisional Application before this Court being C.O. No. 1339 of 2021. This Court by an order dated 7th September, 2021, directed the Trial Court to dispose of the application filed by the defendant/Punalur within a period of two weeks and it was also observed that if the order goes in favour of Punalur, the plaintiff, KAHM would return then said amount of Rs. 9 crores in the account where it was lying earlier. The Trial Court disposed of the injunction application on 22nd September, 2021 by passing the following order:

“It appears that the entire proceeding initiated by the Plaintiff [Punalur] is a deceitful action on the part of the Plaintiff and the same Director who has

taken part in Conveyance and Agreement, as well as Power of attorney, came before this court for the relief which he is not entitled and this case has no leg to stand upon. It is a futile attempt by Plaintiff, and this injunction application must be ended into dismissal. Hence, as an interim measure, to preserve the amount desposited in bank, it was ordered that neither party was allowed to operate the bank account in any manner whatsoever till the disposal of this case and well as TS No. 314 of 2021.”

- 14.** The plaintiffs have filed an appeal against the order dated 22nd September, 2021 in which the defendant has filed cross appeal. Both appeals were disposed of by the Hon’ble Division Bench of this Court on 5th April, 2022 by passing the following order:

*“With a view to hold the ring pending final adjudication we permit KAHM to retain and utilize the said amount upon furnishing security to the satisfaction of the learned trial Court. In so far as the balance sum of Rs.9,05,70,001.50/- deposited in connection with LA case no.38 of 2007 we are not inclined to direct the Registrar General to release the said amount at this stage, on consideration of the decision of the Hon’ble Supreme Court in **Baburao vs. State of Maharashtra**, reported in **2017 (11) SCC 333**.*

Since we are of the prima facie view that the cancellation of the power of attorney was illegal and the documents executed in favour of KAHM are establishing a clear right to receive the compensation, at this stage we do not direct KAHM to return the said sum of Rs.9,05,70,001.50/- to Punalur.

Mr. Jishnu Saha, learned Senior Counsel appearing on behalf of the KAHM has strenuously argued that the suit filed by Punalur Paper Mills Limited is not maintainable in law and expressly barred by limitation under Order II Rule 2 of the Code of Civil Procedure. It is submitted that the application for rejection of the plaint is pending before the learned trial Court; we request the

learned trial Judge to dispose of the said application expeditiously, without being influenced by any observations made in this judgment.

The impugned order is modified to the aforesaid extent.

The appeals and cross appeals along with all the connected applications are accordingly disposed of.”

- 15.** The defendant has preferred a Civil Appeal Before the Hon’ble Supreme Court against the order dated 5th April, 2022 being Civil Appeal No. 6945 of 2022 and the Hon’ble Supreme Court disposed of the Civil Appeal on 26th September, 2022 by passing the following order:

“Leave granted.

- 2.** *We have heard the learned counsel for the parties.*
- 3.** *The direction in the impugned order dated 05.04.2022 that the respondents would furnish security to the satisfaction of the trial court for Rs. 9,05,70,001.50/-, must be complied immediately and preferably within a period of two weeks from the day copy of this order is filed before the trial court. The security to be furnished to the satisfaction of the trial court should be a solvent security, which can be encashed and enforced in case of default.*
- 4.** *Insofar as balance amount of Rs.9,05,70,001.50/- is concerned, the said amount would not be withdrawn. This direction is subject to the decision in the suit.*
- 5.** *If any further amount is deposited in the bank account in IndusInd Bank Ltd., the amount would not be withdrawn by any party without permission of the Court.*
- 6.** *The respondents state that they would be disclosing the compensation received on account of acquisition of the property as income taxable*

in their hands. The respondents would file an affidavit to the said effect before the trial court. The statement and affidavit would be without prejudice to the rights and contentions of the appellant. If any tax liability arises, in view of the fact that compensation has been paid or made in the name of appellant, the appellant would be entitled to take recourse to appropriate proceedings.

7. *We clarify that the observations made in the impugned order are only for the purpose of disposal of the appeal before the High Court and would not be treated as binding and conclusive findings. The trial court would determine the rights and pleas raised by the parties in accordance with law and based upon the evidence led by the parties.*

8. *We also clarify that the other proceedings between the parties would be decided on merits and in accordance with law. As mentioned, the findings recorded in the impugned order would not be binding.*

9. *The appeals are disposed of in the aforesaid terms.”*

16. The plaintiffs have filed the present suit challenging the Deed of Revocation dated 11th May, 2021 of the Power of Attorney dated 21st November, 2011. In the suit the plaintiffs have filed the present application for grant of injunction and the defendant had filed an application under Section 10 of the Code of Civil Procedure being G.A. No. 3 of 2022. This Court had taken up both the applications for hearing together, and on 5th July, 2023, had passed a common judgment by staying the proceeding of the present suit and dismissed the application of the plaintiffs being G.A. No. 1 of 2021. As per the order passed by the Hon’ble Division Bench in APOT No. 244 of 2023

with G.A. No. 1 of 2021 in CS No. 149 of 2021 dated 16th May, 2024, is taken up for hearing on merit. During hearing of G.A. No. 1 of 2021, the defendant has filed another application being G.A. No. 4 of 2025 praying for an interim order restraining the plaintiffs from relying upon the Power of Attorney dated 21st November, 2011.

- 17.** There were altogether three suits and one counterclaim, were pending before the Learned Judge, City Civil Court and the present suit before this Court. After staying the present suit by this Court, the suit filed by the defendant before the Learned Judge, City Civil Court being T.S. No. 613 of 2021 and T.S. 430 of 2022 along with counterclaim filed by the defendant in T.S. No. 314 of 2021 were dismissed by the Learned Judge, City Civil Court. The defendant has preferred three separate appeals and the same are pending before the Hon'ble Division Bench of this Court.
- 18.** Now, the question whether the plaintiffs are entitled to get an interim order restraining the defendant from giving any effect or further effect to the Deed of Revocation dated 11th May, 2021 or the defendant is entitled to get an interim order restraining the plaintiffs from relying upon the Power of Attorney dated 21st November, 2011.
- 19.** There is no dispute with regard to the Deed of Conveyance dated 5th April, 2003, Agreement dated 15th May, 2010, Power of Attorney dated 15th May, 2010 and another Power of Attorney dated 21st November, 2011. The disputed document is the Deed of Revocation dated 11th

May, 2021 wherein the Power of Attorney dated 21st November, 2011, is revoked.

- 20.** The Power of Attorney dated 15th May, 2010, executed by the defendant in terms of paragraphs 6 and 7 of the Agreement dated 15th May, 2010.

The paragraphs 6 and 7 of the Agreement reads as follows:

“6. PUNALUR hereby also agree to grant Power of Attorney in favour of the said LINDSAY and/or its nominees authorising and/or empowering them/him to represent PUNALUR as also to defend and/or contest and/or prosecute all or any litigations and/or legal proceedings and further to realise the amounts of compensation money, mesne profit and other amounts and to operate the said Bank account for receiving, encashing and appropriating the compensation, mesne profit and other amounts and further to sign, execute, affirm, verify and deliver all papers and documents as also to do all acts, deeds matters and things in the name and on behalf and on account of PUNALUR.

7. PUNALUR also agree that the Power of Attorney in favour of LINDSAY or its nominees referred to in clause 6 above shall at all times be irrevocable.”

- 21.** As per Clause 7 of the Agreement, the Power of Attorney shall all time be irrevocable. The defendant has executed Power of Attorney in favour of four nominees of the plaintiffs to pursue several litigations and proceedings pending relating to portion of the land and premises No.13, Nellie Sengupta Sarani, Kolkata and for recovery of compensation amount. Section 202 of the Indian Contract Act, 1872, reads as follows:

“202.Termination of agency, where agent has an interest in subject-matter.—Where the agent has himself an interest in the property which forms the subject-matter of the agency, the agency cannot, in the absence of an express contract, be terminated to the prejudice of such interest.”

22. In the case of **Board of Revenue vs. Annamalai & Co., (Pte.), Ltd.**

reported in **AIR 1968 Mad 50**, the Madras High Court held that:

“There can be no doubt that in the present case, the authority given the power of attorney of Annamalai and Co., to the Reliance Bank of India was to enable Reliance Bank to sell the scheduled properties, and out of the proceeds thereof, obtain repayment of the loan which they had already advanced to Annamalai and Co., The power of attorney is clearly irrevocable and also purports to be so irrevocable till the loan is repaid or the properties sold.”

23. In the case of **Seth Loon Karan Sethiya Vs. Ivan E. John and Others**

reported in **1968 SCC OnLine SC 252** wherein the Hon'ble Supreme Court held that:

“5. There is hardly any doubt that the power given by the appellant in favour of the bank is a power coupled with interest. That is clear both from the tenor of the document as well as from its terms. Section 202 of the Contract Act provides that where the agent has himself an interest in the property which forms the subject-matter of the agency, the agency cannot, in the absence of an express contract, be terminated to the prejudice of such interest. It is settled law that where the agency is created for valuable consideration and authority is given to effectuate a security or to secure interest of the agent, the authority cannot be revoked. The document itself says that the power given to the bank is irrevocable. It must be said in fairness to Shri Chagla that he did not contest the finding of the High Court that the power in question was irrevocable.”

- 24.** The contention of the defendant that the Power of Attorney dated 21st November, 2011, supersedes the Power of Attorney dated 15th May, 2010. It is the further contention that Power of Attorney given to the individuals cannot be deemed to be coupled with interest to the transaction, if any, between the companies. On 19th October, 2011 in the meeting of the Board of the Directors of the defendant it was resolved that T.K. Sundaresan, Chairman and a whole-time Director of the defendant company to execute Power of Attorney in favour of Mr. Kunal Dalmia and Mr. Ranoj Roy Chowdhury on behalf and in the name of the company in connection with pending Land Acquisition matters before the Land Acquisition Authorities, Appellate Authorities and all courts on behalf of the defendant.
- 25.** In terms of the said resolution on 21st November, 2011, Mr. T.K. Sundaresan executed Power of Attorney in favour of Kunal Dalmia and Ranoj Roy Chowdhury. Neither in the resolution nor in the Power of Attorney, there is any mention about the Power of Attorney dated 15th May, 2010. In the Power of Attorney dated 15th May, 2010, Mr. Kunal Dalmia is one of attorneys out of four attorneys.
- 26.** In the Deed of Revocation of Power of Attorney dated 11th May, 2021, it is mentioned that T.K. Sundaresan executed Power of Attorney on 21st November, 2011 by appointing Mr. Kunal Dalmia and Ranoj Roy Chowdhury as his lawful attorneys and he cancelled the said Power of Attorney and revoked all powers given under the said Power of

Attorney. In the Deed of Revocation of Power of Attorneys also nowhere mentions about the Power of Attorney dated 15th May, 2010.

- 27.** The question whether the Power of Attorney dated 15th May, 2010, is coupled with interest or the Power of Attorney dated 21st November, 2011, supersedes the Power of Attorney dated 15th May, 2010, is the matter of trial. In the Power of Attorney dated 21st November, 2011, the only power given to the attorneys to proceed with the land acquisition proceeding pending before the authorities and before all courts and no interest is created in the said Power of Attorney. The Power of Attorney dated 15th May, 2010, was executed in terms of the agreement but the Power of Attorney dated 21st November, 2011, does not speak about any continuation of the Agreement dated 15th May, 2010 or Power of Attorney dated 15th May, 2010. In the case of **Smt. Kasthuri Radhakrishnan & Ors. Vs. M. Chinniyan and Anr.** reported in **(2016) 2 ICC (S.C.) 343** wherein the Hon'ble Supreme Court held that:

“42. The law relating to power of attorney is governed by the provisions of the Powers of Attorney Act, 1982. It is well settled therein that an agent acting under a power of attorney always acts, as a general rule, in the name of his principal. Any document executed or thing done by an agent on the strength of power of attorney is as effective as if executed or done in the name of principal i.e. by the principal himself. An agent, therefore, always acts on behalf of the principal and exercises only those powers, which are given to him in the power of attorney by the principal. Any act or thing done by the agent on the strength of power of attorney is, therefore, never construed or/and treated to have been done by the agent in his personal capacity so as to create any right in his favour but is always construed as having done

by the principal himself. An agent, therefore, never gets any personal benefit of any nature. Applying the aforesaid principle, this Court in Suraj Lamp and Industries Private Ltd. (2) v. State of Haryana & Anr., (2012) 1 SCC 656 : [2011 (2) HLR (S.C.) 545 : 2011 (4) ICC (S.C.) 853] held in paras 20 and 21 as under :

“20. A power of attorney is not an instrument of transfer in regard to any right, title or interest in an immovable property. The power of attorney is creation of an agency whereby the grantor authorises the grantee to do the acts specified therein, on behalf of grantor, which when executed will be binding on the grantor as if done by him (see Section 1-A and Section 2 of the Powers of Attorney Act, 1882). It is revocable or terminable at any time unless it is made irrevocable in a manner known to law. Even an irrevocable attorney does not have the effect of transferring title to the grantee.

21. In State of Rajasthan v. Basant Nahata, (2005) 12 SCC 77, this Court held :

‘13. A grant of power of attorney is essentially governed by Chapter X of the Contract Act. By reason of a deed of power of attorney, an agent is formally appointed to act for the principal in one transaction or a series of transactions or to manage the affairs of the principal generally conferring necessary authority upon another person. A deed of power of attorney is executed by the principal in favour of the agent. The agent derives a right to use his name and all acts, deeds and things done by him and subject to the limitations contained in the said deed, the same shall be read as if done by the donor. A power of attorney is, as is well known, a document of convenience.

52. Execution of a power of attorney in terms of the provisions of the Contract Act as also the Powers of Attorney Act is valid. A power of attorney, we have noticed hereinbefore, is executed by the donor so as to enable the donee to act on his behalf. Except

in cases where power of attorney is coupled with interest, it is revocable. The donee in exercise of his power under such power of attorney only acts in place of the donor subject of course to the powers granted to him by reason thereof. He cannot use the power of attorney for his own benefit. He acts in a fiduciary capacity. Any act of infidelity or breach of trust is a matter between the donor and the donee.'

An attorney-holder may however execute a deed of conveyance in exercise of the power granted under the power of attorney and convey title on behalf of the grantor."

This was followed by this Court in Church of Christ Charitable Trust and Educational Charitable Society v. Ponniamman Educational Trust, (2012) 8 SCC 706 : [2012 (2) RLR (S.C.) 83 : 2013 (3) ICC (S.C.) 314]."

The Power of Attorney dated 21st November, 2011, is only proceed with the legal proceedings pending before the authorities and all courts in respect of Land Acquisition proceeding of the property of the Agreement dated 15th October, 2010, thus the Power of Attorney dated 21st November, 2011, is not coupled with the intends.

- 28.** The main prayer in the suit for cancellation of the Deed of Revocation dated 11th May, 2021. In the present application, the plaintiffs pray for interim order restraining the defendant for giving any effect or further effect to the Deed of Revocation dated 11th May, 2021. The defendant prayed for injunction restraining the plaintiffs to rely upon the Power of Attorney dated 21st November, 2011. Now, the question whether this Court can pass an interim order by granting final reliefs.

29. In the case of **Deoraj Vs. State of Maharashtra & Ors.** reported in **(2004) 4 SCC 697** wherein the Hon'ble Supreme Court held that:

“12. Situations emerge where the granting of an interim relief would tantamount to granting the final relief itself. And then there may be converse cases where withholding of an interim relief would tantamount to dismissal of the main petition itself; for, by the time the main matter comes up for hearing there would be nothing left to be allowed as relief to the petitioner though all the findings may be in his favour. In such cases the availability of a very strong prima facie case — of a standard much higher than just prima facie case, the considerations of balance of convenience and irreparable injury forcefully tilting the balance of the case totally in favour of the applicant may persuade the court to grant an interim relief though it amounts to granting the final relief itself. Of course, such would be rare and exceptional cases. The court would grant such an interim relief only if satisfied that withholding of it would prick the conscience of the court and do violence to the sense of justice, resulting in injustice being perpetuated throughout the hearing, and at the end the court would not be able to vindicate the cause of justice. Obviously such would be rare cases accompanied by compelling circumstances, where the injury complained of is immediate and pressing and would cause extreme hardship. The conduct of the parties shall also have to be seen and the court may put the parties on such terms as may be prudent.”

30. In the case of **Hindustan Development Corporation Vs. Modiluft Limited and Others** reported in **2005 SCC OnLine Cal 342** wherein the Hon'ble Division Bench of this Court held that:

“38. The other point on the basis of which the learned judge has dismissed the application is that the orders sought for was in the nature of main relief by way of an interlocutory application. It is well-settled that in given circumstances court can

always pass interim relief in the nature of final relief though such a power is required to be used sparingly and with utmost caution but it cannot be contended that the court is precluded from passing an order in a interlocutory application which would result in granting a final relief.

39. *The same view has been expressed in the decision of Woodford v. Smith reported in 1970 (1) All England Law Reports 1091.*

40. *Before the court counsel for the defendant relied upon a passage of the Supreme Court practice which read as follows :*

“It is not the practice of the court (except by consent) to grant on an interlocutory application, an injunction, which will have the practical effect of granting the sole relief claimed. This does not deter the court from granting such interlocutory injunction as may be necessary to preserve property or prevent irreparable damage.”

41. *Disagreeing with the aforesaid proposition Justice Megarry held that there is nothing to prevent the court in a proper case from granting on motion substantially all the reliefs claimed in the action. After discussing the various judgments on this issue it was held by Justice Megarry that in a given case court could indeed grant the final relief by way of an interlocutory order.*

42. *On behalf of the respondent apart from what was argued before the learned trial judge various other issues were also raised. It was submitted that the present application was not maintainable as it seeks to get orders, which is beyond the scope of the suit and the enquiry, which will be necessary for the purpose of granting reliefs as claimed would also be outside the scope of enquiry in this proceeding.”*

31. In the case **A.C. Muthiah Vs. Board of Control for Cricket in India and Another** reported in **(2011) 6 SCC 617**, the Hon'ble Supreme Court held that:

“88. Further, the balance of convenience is also in favour of Respondent 2 because even if the suits are decreed, no personal relief would accrue for the benefit of the appellant. As noticed earlier, the appellant had lost to Respondent 2 in the elections of the Tamil Nadu Cricket Association. Moreover, the two suits were filed in the year 2008 and no interim relief/reliefs has/have been granted by the learned Single Judge of the High Court as well as by the Division Bench of the High Court. This Court is of the opinion that after passage of over two years, it would not be in the fitness of things to grant mandatory temporary injunction as prayed for. What is relevant to notice is that if the injunctions as prayed for are granted the suits would stand decreed without adjudicating the claims raised by the respondents, on merits. Such a relief is not called for in the facts of the case. Therefore, the appellant is not entitled to the injunctions claimed by him in different interlocutory applications which were filed before the High Court.

92. As noticed earlier the learned Single Judge of the High Court before whom the suits were instituted as well as the Division Bench of the High Court have refused to grant equitable relief of injunction claimed by the appellant. This Court is of the opinion that grant of interim relief as prayed for can amount to decreeing the suit without adjudicating the claims raised in the pleadings of the parties. Such a course is not permissible at all. This Court has deprecated the practice of grant of interim relief, which amounts to decreeing the suit in several reported decisions. The averments made in the complaints would show that the final reliefs claimed are almost the same as claimed by way of interim reliefs. Whether the appellant is entitled to equitable relief of injunction or not, will have to be decided after several questions raised in the complaints are decided on the basis of evidence, which may be adduced by the parties.

93. *The questions of law sought to be raised by the appellant are at the best mixed questions of law and facts. As observed earlier the appellant has failed to disclose certain material facts nor has the appellant been able to prima facie establish that his legal rights have been violated as required under Sections 34 and 41(j) of the Specific Relief Act, 1963. The appellant is not justified in seeking a permanent injunction restraining Respondent 1 from permitting Respondent 2 to contest election for an office-bearer's post. IA No. 1041 of 2008 in CS No. 930 of 2008 was dismissed by the High Court. The said order was never challenged before higher forum by the appellant and has thus attained finality. No material is placed by the appellant on the record of the case on the basis of which a reasonable finding can be recorded that if interim relief as sought for by the appellant is not granted, the appellant would suffer irreparable loss or that great prejudice would be caused to his case as pleaded in the plaints of the suits. Though this Court has prima facie come to the conclusion that the suits are not maintainable on the basis of the plaint allegations themselves, several allegations made would require evidence to be let in by the appellant so as to entitle him to any interim relief. On this ground also the interim reliefs claimed cannot be granted.*

95. *The upshot of the above discussion is that the learned Single Judge and the Division Bench of the High Court were justified in not granting the temporary injunction claimed by the appellant. It is difficult to hold that either the learned Single Judge or the learned Judges of the Division Bench of the High Court had failed to exercise jurisdiction vested in them or had exercised jurisdiction not vested in them or had exceeded the jurisdiction vested in them by law. A reasonable reading of the judgment impugned in the instant case would indicate that a just approach has been adopted by the learned Single Judge and the Division Bench of the High Court in not granting interim prayers claimed by the appellant. No ground is made out by the appellant either to interfere with the decision of the learned Single Judge or with that of the Division Bench of the High Court. Therefore, the appeals, which lack merits, deserve dismissal.”*

- 32.** With regard to the similar documents and similar facts, several proceedings have been initiated by the parties. The Power of Attorney is with regard to the Land Acquisition proceedings pending in the name of the defendant. In the agreement entered between the parties dated 15th May, 2010, it is categorically mentioned that the plaintiffs had purchased the property on the undertaking that the plaintiffs shall at all times be entitled to continue to prosecute and defend all or any of the litigations or proceedings and also receive, realise and recover all compensations and mesne profits. It is also mentioned that the plaintiffs are taking appropriate steps for realisation of the compensation amount and mesne profits and also continuing to pursue and prosecute the litigations with respect to the portion of the property.
- 33.** The agreement also provides that the plaintiffs or its nominees shall all time be entitled to maintain and operate a separate bank account in the IndusInd Bank in the name of the company for limited purpose for receiving and realising and encashing the amount of compensation, mesne profits and other amounts received in respect of the property in question.
- 34.** This Court finds that the Power of Attorney executed by the defendant in favour of the nominees of the plaintiffs in terms of the Agreement dated 15th October, 2010. The agreement is not under challenge or the agreement is not cancelled. It is also fact that the plaintiffs are pursuing with all proceedings as per the agreement and in terms of the Power of Attorney. Only the dispute arose when the Learned Court of

District Judge, Alipore in the Land Acquisition proceeding passed an award for a sum of Rs. 27,29,44.005/-.

- 35.** It is true that the prayer of the plaintiffs in the present application is to that of the main relief prayed for in the plaint. Normally, the Court is slow for grant of interim relief in the nature of main relief. It is also settled law that there is nothing to prevent the Court, in a proper case for granting such interim relief as may be necessary to preserve property or prevent irreparable damage.
- 36.** In the present case since the year 2003 i.e. from the date of registration of sale deed between the parties with respect to the property in question, there is an agreement that the plaintiffs shall continue to prosecute and defend all the litigations and also receive, realise and recover all compensations and mesne profits. The plaintiffs are also maintaining separate bank account. Only in the year 2018 when the Learned District Judge passed an Award to the tune of Rs. 27,29,44,005/-, the defendant started disputing and making allegation.
- 37.** This Court finds that the plaintiffs have made out a strong *prima facie* case and balance of convenience in favour of the plaintiffs. Though the interim relief is in the nature of main relief but if at this stage, interim relief is not granted to the plaintiffs, in future there is every chance of multiplicity of proceedings and the plaintiffs will also suffer irreparable loss and injury which cannot be compensated later on.

38. In view of the above, the defendant, its men, agent, servant and assignees are restrained from giving any effect or further effect to the Deed of Revocation dated 11th May, 2021 till the disposal of the case. The plaintiffs are directed to furnish the details of the account maintained by the plaintiffs in the name of the defendant as on date in terms of the Agreement dated 15th May, 2010 and the Power of Attorney dated 15th May, 2010 within two weeks before this Court and shall maintain the proper account showing the details of the amount received and invested from any Land Acquisition proceeding or other proceeding with respect to the property in the Agreement and Power of Attorney and shall quarterly file the statement of account before this Court after serving the copy to the defendant.

39. G.A. No. 1 of 2021 is allowed. G.A. No. 4 of 2025 is dismissed.

(Krishna Rao, J.)